



Independent observer  
of the Global Fund

## Majority of PRs Say Grant Negotiation Process Too Complex, Rating System Does Not Accurately Reflect Performance

Two-thirds of the principal recipients (PRs) that responded to an Aidspace survey consider the grant negotiation process to be complex. The same proportion said that the grant rating system is not an accurate measure of performance.

However, 70% of the PRs said that fund portfolio managers (FPMs) respond to enquiries in a timely fashion, and almost 80% said that the PU/DRs (Progress Update / Disbursement Request) are a useful method for reporting progress on a grant.

The survey, which was completed in December 2012, asked the opinions and experiences of 315 PRs in 118 countries. A total of 115 PRs responded, a response rate of 37%. The questionnaire was sent out in English, French and Spanish. Aidspace has published a [report](#) on the survey findings. The report was written by Frank Wafula, Charles Marwa and David McCoy.

This was the first such survey conducted independently of the Global Fund.

The survey found that opinions and experiences varied, depending on whether a PR was a government or non-government organisation. Variations were also seen between PRs from sub-Saharan Africa and PRs from other regions.

Although about two-thirds of PRs that said they had good relations with the Office of the Inspector General (OIG), this was considerably fewer than the proportion of PRs that said they had good relations with fund portfolio managers (84%) and sub-recipients (93%). Non-government PRs tended to be less enthusiastic about the OIG than government PRs.

More than 70% of the PRs said they had good relations with country coordinating mechanisms (CCMs).

Over half the PRs said their organisations had experienced delays in grant implementation. “Disbursement delay” was the most common problem cited. The reasons given for delayed disbursements included: poor communication and coordination between the PR and other actors; protracted grant negotiation and signing processes; late submission of documents to the Secretariat; and delays in receiving final approval from the Secretariat.

Regarding procurement, only one in five PRs said that they had used the Global Fund’s Voluntary Pooled Procurement (VPP) mechanism for procuring commodities. Of those who had used the VPP mechanism, nearly two-thirds thought it made procurement cheaper.

However, two-thirds of PRs who had used the VPP mechanism objected to the idea of making it compulsory. Among government PRs, that number was 90%; only a little more than half of the non-government PRs were opposed to making the VPP compulsory.

More than one-third of the PRs said they needed support from the Global Fund in financial management.

The PRs advanced several recommendations to the Global Fund, including redefining the roles of CCMs and local fund agents, shortening the grant negotiation process, and modifying the grant rating system to capture the aspects of performance that cannot be measured using numbers.

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